

**Village of Salado
Salado Municipal Building
301 North Stagecoach Road
Salado, Texas
Minutes of Regular Meeting of Board of Aldermen
April 16, 2020 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:30 p.m. by Mayor Skip Blancett.

Mayor Blancett gave the Invocation and the Board of Aldermen led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, and Aldermen Rodney Bell, Amber Preston Dankert, John Cole, and Michael Coggin. *(The meeting was conducted via videoconference.)*

Staff Present: Village Administrator Don Ferguson and City Secretary Cara McPartland

1. Citizens Communications

No citizen comments were heard.

2. Consent Agenda

- A. Approval of minutes of the Regular Board of Aldermen meeting of April 2, 2020.
- B. Approval of minutes of the Special Board of Aldermen meeting of April 6, 2020.
- C. Approval of the March 2020 Financial Statements for the Village of Salado.

Village Administrator Ferguson advised of the following amendment to page 2 of the minutes of April 6th, as follows: "Alderman ~~Bell~~ *Coggin* asked if the public has an opportunity to speak at this meeting." Alderman Cole moved to approve the Consent Agenda, as presented, including the aforementioned amendment. Alderman Bell seconded. Motion carried on a vote of 5-0.

3. Village Administrator's Report

- Wastewater Project Update

Village Administrator Ferguson reported connection activity has slowed, but is expected to pick up as plumbers are beginning to resume work. He advised a Board of Aldermen workshop is planned to discuss a Village-initiated sewer system expansion for certain properties. He noted around 46 percent of wastewater customers saw reductions in their monthly bills, while remaining customers saw an average 21 percent increase, based on prior year's water usage.

- Main Street Improvement Project Update

Village Administrator Ferguson reported significant progress on installation of curb and gutter/sidewalks, light pole bases, and modifications to the Rock Creek Bridge railing to meet design specifications. Drainage work continues and plans are underway for asphalt overlays, with project completion anticipated in early summer.

- Village of Salado Sales Tax Collections

Village Administrator Ferguson reported that the April 2020 sales tax check, representing February sales, totaled \$33,960, down about 18 percent from the same period last year. He noted that the decrease was in large part due to an audit adjustment that inflated last year's February's check. He reported that the April 2020 check was the second highest April sales tax check received for the Village of Salado. He advised that fiscal year-to-date collections of \$315,000 are up about 4 percent from the same period last year, representing 64 percent of budgeted sales tax revenue at the 68 percent mark into the fiscal year. He anticipated seeing more of an impact reflected in future checks due to the two-month lag in reporting.

- Coronavirus (COVID-19) Update

Village Administrator Ferguson reported there are 112 cases reported to date in Bell County, 3 deaths, and 7 hospitalizations. He reported bed capacity and ventilator supplies are good in Bell County and advised that alternate care locations are being developed in the event of a surge in cases. He reported that some nurses in area hospitals are experiencing lay-offs due to suspension of non-critical surgeries in accordance with Governor Abbott's directive. He advised that no citations have been issued for non-compliance with shelter-in-place or social distancing orders. He noted parks are closed, but Village offices remain open with social distancing and enhanced disinfection measures in place. He said police personnel are taking appropriate safety precautions and PPE supplies are adequate. He reported that contact is being maintained with the Chamber of Commerce to monitor local merchant activity and assistance planning. He said Governor Abbott and the Bell County Commissioners Court Judge will be holding news conferences tomorrow. He anticipated the trend toward mandating face masks in public. He spoke of concerns expressed about testing availability. He reported that there may be some highly competitive funding opportunities available to smaller cities to help offset lost sales tax revenue. He spoke of budget cuts to help meet an anticipated budget shortfall of about \$290,000 and did not expect a significant resurgence in local spending in the near term, as people may still be exercising caution after businesses re-open.

- Wastewater Bond Refunding

Village Administrator Ferguson reported that proposals for the bond refunding are due on April 21, 2020 and noted that banks are quite busy at this time due to government assistance programs for business loans.

Discussion included status of Royal Street/Sanctuary developments; school re-opening to be addressed by Governor Abbott; Salado Plaza Drive street repairs; perimeter clearing on Sanctuary site; lack of response to date from Governor Abbott on the Village's request for a July 14th election date; odor reduction efforts at the Royal Street lift station and status of associated project bidding;

and federal advice to states on re-opening of the economy. Mayor Blancett referenced an informative article on the military's COVID-19 response. Village Administrator Ferguson emphasized the significance of actions taken to prevent spreading such as good hygiene and face masks, as well as the importance of stress management. Additional discussion addressed positive community interest stories in the latest Salado Village Voice edition; amount of COVID-19 testing in Bell County; and difficulties associated with consistency in reporting both public and private testing statistics.

4. Resolution

Consider approval of a resolution of the Board of Aldermen of the Village of Salado, Texas finding that Oncor Electric Deliver Company LLC's ("Oncor" or "Company") application for approval of a Distribution Cost Recovery Factor pursuant to Tex. Admin Code 23.243 to increase distribution rates within the Village should be denied; requiring notice of this resolution to the Company; finding that the meeting at which this resolution is passed was noticed and is open to the public as required by law. (*Karl Green, Oncor Electric*)

Village Administrator Ferguson introduced Karl Green of Oncor Electric, who explained the purpose of the proposed resolution intended to allow the Public Utilities Commission (PUC) to work with Oncor to reach an agreement on Oncor's Distribution Cost Recovery Factor (DCRF) rate filing. Mr. Green clarified Oncor's role as a delivery company and stated having the same uniform rate structure for all cities is simpler and more cost-effective. He anticipated the average residential customer cost increase to be about \$1.72 per month per 1,300 kilowatt hours.

Discussion addressed reasoning for the denial request; maximum 2.3 percent increase; resolution's lack of impact on franchise fee; benefit to smaller cities from representation provided by larger intervening cities; final rate decisions to be made by PUC; and history of PUC to allow increases below the maximum allowable rate.

Alderman Coggin moved to approve the resolution, as presented. Alderman Dankert seconded. Motion carried on a vote of 5-0.

5. Discussion and Possible Action

- A. Discuss and consider possible action regarding a request for a variance from the Village of Salado subdivision regulations relating to fire protection for Mill Creek Springs Phase X, a 64 lot subdivision located near the intersection of Royal Street and Blackberry Road in the E-T-J of the Village of Salado. (*Village Administrator*)

Village Administrator Ferguson explained that Salado Water Supply Corporation (SWSC) is not statutorily obligated to provide fire flows that meet the Village's minimum fire flow requirements. As such, the developer contends a hardship exists and has requested a variance from those requirements. He advised the developer is proposing to install specially painted hydrants that could be used to fill up a fire truck, but do not allow for direct connection to a fire hose. He stated that staff recommends approval of the variance request, with the additional recommendation to require the developer to provide notice upon property conveyance indicating that the hydrants do

not meet minimum requirements for fire protection. He noted that the inability of SWSC to provide fire flows is not uncommon for rural water supply corporations in Texas. Regarding future similar requests, he said the Village's Subdivision Ordinance could be amended to avoid the need for variance requests.

Discussion addressed the significant cost to developer of upgrading lines to meet fire flow requirements; appropriate paint color for hydrant to note that water cannot be used as a direct pumper source; local fire department's awareness of hydrant's limited capabilities; and possible future revision to Subdivision Ordinance language to allow for alternatives for meeting fire flow requirements.

Mayor Pro-tem Coachman moved to approve the variance request, as presented, including the additional recommendation requiring the developer to provide notice on the subdivision plat and property deeds indicating that the hydrants do not meet minimum requirements for fire protection. Alderman Cole seconded. Alderman Coggin requested that the motion include language that the Village should modify its Subdivision Ordinance, as previously discussed. Mayor Pro-tem Coachman stated that future plans to change the Subdivision Ordinance are not germane to the variance request contained in this agenda item. Motion carried on a vote of 5-0.

- B. Discuss and consider possible action regarding the development of regulations relating to the parking of large trucks on public streets within the Village of Salado. (*Mayor Skip Blancett*)

Mayor Blancett reported receiving several phone calls regarding this issue, which involves the parking of large trucks in front of houses. He cited safety concerns due to large trucks being parked on small streets and negative impact on aesthetics of the Village. Discussion clarified "large truck" as an 18-wheeler type truck; length of time truck(s) are being continuously parked on residential streets or driveways; exceptions for companies doing permitted work within the Village; negative impact on property values; parking regulations applicable to trucks with 10 or more wheels; driveway/yard parking; number of complaints received; and lack of existing regulations relating to yard parking.

Alderman Bell moved to instruct Village Administrator Ferguson to present a draft ordinance to the Board at its next meeting incorporating ideas from tonight's discussion. Village Administrator Ferguson advised this item can be placed on the Board's next agenda. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 5-0.

- C. Discuss and consider possible action relating to the most recent settlement by the Center for Biological Diversity with the U.S. Fish and Wildlife Service to formally designate the critical habitat of the Salado Salamander. (*Dirk Aaron, Clearwater Underground Water Conservation District General Manager*)

Village Administrator Ferguson introduced Dirk Aaron, who provided background information, including history and updates on petitions submitted and most recent legal settlement; designation as threatened versus endangered species; spring flow/water quality issues; maps displaying proposed critical habitat area and affected properties; decision-making process leading up to

defining critical habitat area, including continued scientific research/assessment efforts, as well as informing property owners and legislative leadership; benefit of water quality improvements due to completion of the Village's sewer system and decommissioning of old treatment plant and septic systems.

Village Administrator Ferguson spoke on the need to engage property owners in the proposed critical habitat area, even though the boundaries may be narrower when finalized. He said the Village has felt the impact of the environmental sensitivity of the area and has spent a significant amount toward developing a management plan. He stated the importance of gathering property owners for an initial informational meeting prior to the August release of a map. He said it is in the Village's favor that water quality conditions and protections have improved so that whatever management measures are recommended for the critical habitat area will not be as extensive.

Discussion addressed potential impact on park land and recreation, which will be equal to the impact on private properties; effect on land development/permitting requirements; importance of drainage/runoff mitigation; grant funding/cost sharing opportunities for environmental improvements such as decommissioning older septic systems and extending wastewater service; need to notify and educate property owners of potential impacts on their properties before and after plan release; possible role of coalition to provide scientific data during map development; possible expansion of subsurface boundaries in certain areas; and plans for coalition/property owner meetings, including Village of Salado representation, prior to Board action.

- D. Discuss and consider possible action regarding the development of a support program for businesses in Salado impacted by the Coronavirus (COVID-19). (*Village Administrator*)

Village Administrator Ferguson spoke on exploring local programs to provide assistance to Salado businesses. He said FEMA and TDEM felt it would be difficult for local governments providing financial assistance to qualify for federal/state reimbursement. He noted discussions with the Chamber of Commerce about working together on possible development of a local business assistance/support center to help with business planning, SBA loan procedures, and marketing/social media assistance. He stated that partnering with local universities' business schools could help keep expenses down, as would utilizing virtual forums or existing Municipal Building office space for public forums. He requested Board input on possible ideas to support local businesses.

Alderman Dankert suggested waiving of certain permit fees for businesses improving or expanding their facilities during the shutdown and to encourage growth. Village Administrator Ferguson spoke of possible utilities assistance, such as a 1-2 month credit. Alderman Dankert asked if there is a way to defer impact fee payments for another year. Village Administrator Ferguson said that the financial impact of such deferment would be minimal for existing original customers, but the impact fee payment option that was available to original customers may be offered to future customers to promote new business growth. Alderman Dankert asked how to assess what the business owners are in most need of before making decisions. Village Administrator Ferguson advised that owners are needing assistance with rent, utilities, and social media marketing. Alderman Dankert asked about assistance with website development/sales for businesses that currently do not have a website. Village Administrator Ferguson stated that companies providing

such services might be able to offer assistance with website merchandising and sales that could continue beyond the COVID-19 crisis. Mayor Blancett spoke of merchants offering special discounts for teachers, first responders, etc. that could bring people to the Village. He favored the idea of a working together with the Chamber of Commerce and other groups to create a business support center, as the Village is fortunate to have many creative people with business expertise. Alderman Coggin asked if Hotel Occupancy Tax (HOT) funds could be used toward assistance. Village Administrator Ferguson spoke on the statutory limitations on expenditures of HOT funds and said there might be some justifiable expenses that benefit hoteliers. He said it is important to hold onto existing HOT funds for marketing efforts once lodging operations are fully re-opened. Alderman Dankert asked if businesses could set up sales of most-sold items outside of their shops on tables where people who are out walking (while maintaining social distancing) can make purchases via apps, without handling cash or cards. Village Administrator Ferguson advised that the answer to Alderman Dankert's question may be better answered after Governor Abbott's news conference to be held tomorrow on the staged re-opening of the Texas economy. Alderman Bell encouraged engaging the Small Business Development Center in Waco or Texas State University in Round Rock. He also asked about the possibility of paying back of the local share of sales tax revenue and whether it would have much impact. Village Administrator Ferguson said he would need to research restrictions on use of those revenues, which are going to be limited as most businesses are closed or reducing operations. He said it might motivate businesses to come out of dormancy, once they are able to resume normal operations. Village Administrator Ferguson advised that a draft program using the Board's input from tonight's discussion will be presented at the Board's next meeting.

Adjournment

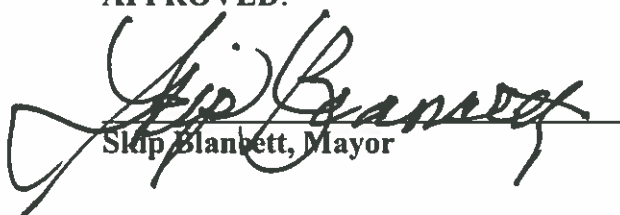
Alderman Cole moved to adjourn. Alderman Bell seconded. Mayor Blancett called the meeting adjourned at 8:48 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 7th of May, 2020.

APPROVED:


Skip Blancett, Mayor

ATTEST:


Cara McPartland, City Secretary

